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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

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23 August 1988

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: Carl W. Ford, Jr.
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SUBJECT: 17 August 1988 East Asia Warning and Forecast Meeting:
South Korea After the Olympics

1. The East Asia Warning and Forecast Meeting for August focused on the potential for instability in South Korea after the Olympics in September. Analysts from throughout the Intelligence Community were in general agreement on the following:

- o There will be a crackdown on dissent after the Olympics, the scope of which is, as yet, uncertain.

- Hardliners in the ruling Democratic Justice Party (DJP) will push for harsh action, possibly to include arrest of opposition politicians.

- Roh Tae Woo, who recently has gained a considerable degree of popularity, is unlikely to revert to his more hardline image; he may order a crackdown only on the radical students, whose activities are increasingly frowned upon by mainstream Koreans.

- o While there will be some instability after the Olympics, most analysts believe that the chances for serious problems are low.

- The greatest threat to stability--outside of the North Koreans--is disunity within the ruling party. Some hardliners within the DJP have not yet come to grips with the fact that they are not in complete control; they would like to monopolize power again.

- The key opposition figures, Kim Dae Jung, Kim Young Sam, and Kim Jong Pil, are thus far content to work within the system; the restoration of Kim Dae Jung's political rights has given him a new-found aura of respectability.

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- The military still appears reluctant to intervene directly in politics; analysts believe that, at present, the chance of a coup is low.
- o The United States will continue to face greater challenges in dealing with the South Koreans:
 - The role of the United States in the May 1980 Kwangju incident, still a highly emotional issue, may never be satisfactorily explained to many South Koreans.
 - US links with former president Chun Doo Hwan could be exploited, particularly if the Koreans proceed with an investigation of his regime.
 - The role of the US military, especially concerning the US-Korean Joint Command, and the issue of nuclear weapons on the peninsula will continue to receive growing public scrutiny.
 - Korean nationalism continues to grow; accordingly, anti-Americanism will become stronger.

Potential for a Crackdown

2. There is likely to be some degree of crackdown by the government after the Olympics, but its scope is not yet ascertainable.

3. Public patience with student demonstrations appears to be wearing thin. Roh Tae Woo wishes to maintain his image as a democratic and conciliatory leader, but some hardliners within the leadership of the ruling Democratic Justice Party want him to move forcefully against the opposition. The DJP still wants to act like it has a monopoly on power, having not yet come to grips with the fact that it lacks a majority in the National Assembly.

4. The strategy and tactics of the opposition are uncertain.

The students could move toward peaceful protest, but they also could resort to more violent demonstrations. They are, however, likely to agitate for closer ties, cooperation and, eventually, reunification with the North, but there is yet little public support for their agenda. We have no firm evidence that the North Koreans are directing the radical student movement.

5. The opposition parties now have some stake in parliamentary politics. Kim Dae Jung appears to be doing very well--taking on the role of a successful businessman from Cholla Province. Kim Jong Pil is holding his own. Kim Young Sam appears to be losing some popularity. The opposition will play on the demand to expose former President Chun's corruption, continue to insist that the facts be made known on the 1980 Kwangju uprising.

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Prospects for Political Stability

6. The most serious threat to the government comes from within the ruling party itself. While Roh Tae Woo has gained in personal popularity, the DJP seems to be gradually losing public support. Some key figures would like to revert to the "good old days" where the party had a virtual monopoly on power. These leaders object to Roh's course of pursuing power through moderate electoral struggle. In the past, Roh has shown himself capable of decisive action, and he could react forcefully if the government seems seriously threatened by students or the opposition. A key test will be whether the government chooses to defend Chun, or whether it decides to "throw him to the wolves."

7. The Korean economy is doing well; growth rates are continuing at an 8 to 10 percent rate, and a serious downturn seems unlikely. Consequently, economic problems are not likely to fuel instability.

8. At this point, the military does not appear to be a major threat. The recent promotion list was handled well; the convening of a board which emphasized qualifications rather than personal ties for promotion was well received. Roh Tae Wu does not feel he faces a significant challenge from the military, and he has made no attempt to force major changes. Nevertheless, key officers that were implicated in the Kwangju incident are still in place. They might feel compelled to act if the investigation of the incident appears to be getting out of hand.

9. Roh has adopted a high visibility, high risk style in pursuing better relations with Communist countries in the region. His promises of achieving breakthroughs with China and of instigating better ties with the North may not be achieved, however, thereby calling into question his leadership abilities. The North has offered some unusual proposals for various forms of exchange, including a "Woodstock-type" music concert on the DMZ. Beyond this, however, there has been little of substance. Nevertheless, various talks and proposals for more talks are going forward.

Relations with the United States

10. Washington is likely to face several challenges in its dealings with Seoul:

- As the Kwangju incident and former President Chun's alleged corruption are publicly debated, the US role is also being debated, raising questions about the US role on the peninsula.
- The South Koreans are showing a somewhat more nationalistic posture on US-South Korean military issues, including the US-South Korea Joint Command structure.

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- South Korea will remain resistant to US pressures on trade issues.
- Over time, the nuclear issue will gain greater salience as a question of public debate. Koreans will increasingly debate the strategic objectives of the US presence as well as the regional implications.

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for Carl W. Ford, Jr.

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